WEEK- 3

1. Bank gives 15% interest rate as it is stated annual interest rate. The bank also compounds fortnightly (twice a month) what will be the value of Rs. 100 after a year?
2. Calculate NPV of the following projects for discount rates of 5%, 15% and 50%

|  |  |  |
| --- | --- | --- |
| 0 | 1 | 2 |
| -6750 | 4500 | 18000 |